



Germany Can and Must Pay, Declares Ex-President Poincaré; World Told That France Is Demanding No More Than Justice

The Defeated Teutons Are Accused of Staging Distress for Political Effect

By William L. McPherson

The following article, entitled "Poor Germany," appeared in the *Le Matin*, of Paris, on January 31.

The author, ex-President Poincaré, has stood consistently for a solution of the reparations problem which will do justice to France. He resigned the presidency of the Reparations Commission last summer, when he found that a subtle attempt was being made to commit France to a sweeping revision of the reparations question of the Versailles Treaty. He approved the Briand-Lloyd George settlement made at Paris a few weeks ago. But if that agreement is weakened as a result of German whinnies, he will probably be called to office as Briand's successor.

The French reparations policy has been much misrepresented in this country. Poincaré presents it openly and candidly. He is convinced of its equity and he tears the mask rudely from German and pro-German propagandists of Germany's inability to pay.

German duplicity has merely taken new forms since the armistice. German propaganda is still powerful. Its cry is: "Germany is the martyr and France the extortioner." M. Poincaré's article, moderate in tone, but mordant in irony, is a welcome antidote to the hypocritical pity now being lavished on "Poor Germany."

By Raymond Poincaré

GERMAN newspapers like the *Berliner Tageblatt*, the *Cologne Volkszeitung* and the *Frankfurter Zeitung* are wrong in seeing in the recent ministerial crisis in France a concession made to the audacious intentions of the Reich. They are wrong in borrowing from some Parisian publicists, whose thoughts they travesty, arguments to prove that France has chosen the milder and repudiated the harsher method.

Must Revise Treaty

The Treaty of Versailles is going to be subjected to a complete revision. They are wrong in reproaching—all of them—a piece of extravagance by M. Gustave Hervé, with comments which the editor of *la Victoire* would certainly be the first to disavow. They have no understanding at all of our present state of mind. They have no grasp of our affairs, and judge them with a recklessness and density of which a man to whom France has generously offered hospitality, Herr Paul Bloch, correspondent of the *Berliner Tageblatt*, has given us in recent days some edifying examples.

Events will undeceive those of our former enemies who speculate thus on the feebleness of France. Some months ago the same chants of triumph were heard on the other side of the Rhine, when a French representative on the Reparations Commission [M. Poincaré himself, transcribed] resigned his post. It was soon necessary to unsing them. Whether they move in zigzags or in straight lines, French policy has none the less always been directed toward the same end. It will be directed tomorrow as it was yesterday. M. Briand's declarations, before the Chamber of Deputies as well as in the conference, cannot leave the Germans with any illusions.

French Would Not Consent

For that matter France would not consent to a government to abandon its rights. Suppose the Allies extend their tolerance to the point of extending the time concessions on German disarmament which were granted at Spa. Germany will end, nevertheless, by disarming, although San Remo to Boulogne, from Boulogne to Spa, from Spa to Brussels and from Brussels to Paris, the reparations problem has dragged along from one stage of equivocation and confusion to another. That will make no essential difference. In the final analysis Germany will have to pay.

How could it be otherwise? Both among our Allies and in the neutral countries everybody is beginning to realize that France was odiously humiliated when she was accused of German propaganda of I know what hidden imperialistic tendencies. It is a pure absurdity to attribute to French statesmen the intention of annexing the left bank of the Rhine, or even the idea of annexing, except under imperious

necessity, a new stretch of German territory. Such fables may impress foreign opinion for the moment.



They could not long supplant the truth.

German Tracts

I have received from the Argentine Republic tracts which Germany is distributing there, demanding neutrality for Alsace-Lorraine—a neutrality which would be, of course, in the thought of the Reich, a first step toward reannexation. Masking their renaissance imperialism, the Germans themselves demonstrate that they retain the hope of presently becoming again the octopus power of 1914, and that once more they wish to get the best of us by imputing to us their own ambitions.

Flock to Templemore

Priests of Templemore have thoroughly investigated the supposed miracle, while it is being accepted by all devout natives of the district. Thousands of lame, blind and sufferers from every kind of ailment are flocking from all parts of Ireland to this latest shrine that is claimed to cure infirmities of those who possess the requisite amount of faith and patience; old and young join in kneeling before the statues which they hope will afford them relief, the number of pilgrims now having become so large that the statues have been placed outdoors so as to better accommodate the surging masses.

At the same time come reports of many marvelous cures at Lourdes, probably the most famous healing shrine in the world. A pilgrimage that has just returned to Glasgow, after spending a short time at Lourdes, reports four absolute cures among those going from this Scottish city. Of these the most conspicuous case is that of a young lady

We have never coveted and we do not covet an inch of German territory. We demand that our neighbors disarm and that they pay us. Why do we demand that they disarm? In order to be able ourselves to disarm and to return more quickly to the universities, to industry, to commerce and to the soil the young men who are now going to the colors. Why do we demand that Germany pay us? Because justice



M. POINCARÉ, ex-President of France, and Mme. Poincaré

demands it; because our northern and eastern provinces were systematically devastated and because, for the security of the present, as a warning to the future and as a definite condemnation of wars of conquest, the damage caused by a pitiless enemy must be repaired.

Want Germany to Live

Do we want to prevent Germany from living? Not at all. We have no such foolish idea. But we want to prevent her from injuring others. Do we even want to punish her for

us and upon Belgium in order to lay her hands on Antwerp and Briey, on Toul and Verdun. She spent millions to destroy our towns and villages, to flood our mines and ravage our forests. She shot innocent French civilians, carried women away as hostages, condemned thousands of young people to humiliating labor. And since, as she says, she ruined herself in this civilizing work, she begs her victims to remit the moral and financial debt which she contracted and which, by signing the Treaty of Versailles, she promised before the whole world to discharge. Is it true, however, that she is as

History of Lourdes

Lourdes is situated at the entrance of the huge mountain chain of the Pyrenees, which separate France from Spain. The surroundings are exceedingly beautiful, the town and shrine being in a valley 1,200 feet above sea level, with towering ranges on either side, with rising over 8,000 feet. Until 1858 the town was nothing more than a picturesque place that attracted the

poverty-stricken as she says she is? Looking through her budget one cannot help becoming skeptical.

As Lloyd George remarked at the Paris conference German taxes are lower than ours, and I may add that they are not regularly collected. As to the Reich's budget expenses they defy both the treaty and common sense. Can the Allies ignore such facts as these: That the number of state functionaries has increased steadily since the war, although the population has been diminished by battle losses and cessations of territory; that the former imperial administrations have taken on 25,000 new employees; that the postal and telegraph force has been expanded from 168,000 agents to 205,000 regular agents and 55,000 auxiliary agents; that the railroad service personnel has grown from 300,000 to 420,000; that Germany is spending on pensions 3,967,000,000 marks before lifting a finger to pay our pensions; that the cost of the German army still exceeds 2,500,000,000 marks in the ordinary budget of 1920 and 1,700,000,000 marks in the exceptional budget; that Germany thus spends, in appearance at least, 25,000 marks a year on each man she keeps in the barracks; that there is a credit of 531,000,000 marks for the support of the German war fleet; that Germany reserves 3,000,000,000 marks to distribute food to her citizens below market costs, 828,000,000 marks to create various homes for former soldiers, 500,000,000 marks to aid German families which have suffered from the war, 925,000,000 marks for housing construction and 25,000,000,000 marks to reimburse Germans who have made deliveries or furnished requisitions on government account?

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Poor Germany! If she allows herself all these budget extravaganzas, doesn't she also suffer cruelly in her industrial production? Let us ask some of the German newspapers:

"The report published by the chambers of commerce of Frankfurt and Hanau gives a summary of conditions in leather and shoe industry in 1920. At the beginning of 1920 trade was very lively. Leather goods had an easy sale. Gross business increased and the leather and artificial leather industries and the shoe factories had many orders. Toward the middle of March there was slowing down. . . . At the end of June there was a spurt again, and in October trade became even more active and still remains so." —*Industrie und Handelzeitung*, January 3, 1921.

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dustry that of chemicals has a place apart. Even before the war its products were highly esteemed the world over and statistics showed annually increasing exportations. The textile industry in all other countries was obliged to depend on our dye industry, which occupies incontestably the front rank for quality of output. . . . During the war the monopoly acquired in Germany, by the chemical industry and its importance for the fabrication of explosives allowed it to make large profits and distribute very large

dividends. Since the peace the renewal of trade with foreign countries, the orders obtained under treaty conditions and the inflated prices in the domestic market for pharmaceutical articles, aniline

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Paying Big Dividends

It is useless, I think, to carry this review further. I could make it interminable. Let it suffice to conclude with the statement that in 1920 many of the big German industrial associations distributed dividends of 15, 20 and 40 per cent, and that in the course of the year German exports exceeded imports by more than 1,700,000,000 gold marks. Poor Germany!

M. Briand was then entirely right in demanding at the conference that the evaluation of German capacity to pay should not be fixed to-day according to a rigid formula. The export tax of 12½ per cent will permit the Allies to have, in a way, a right to share the future profits of German trade and industry, but only in condition that the reparations commission obtains the means to verify, for the next forty-two years, the German trade balance and to collect the part which will be reserved to us. We pay dear enough, for that matter, for this advantage—still hypothetical and, in any case, supplementary—which is to be accorded us. They tell us that the forty-two annuities, which constitute the minimum guaranty, represent 226 billions of gold marks. Any schoolboy of twelve could show that they don't do anything of the sort. The 226 billions are the total of the forty-two annuities, principal and interest. But if we reduce them to their present value we fall below the figure of 100,000,000,000 marks which the Treaty of Versailles allotted for the first three payments on account. France's share of the sum thus reduced will fall fatally below the actual total of the reparations due us.

For a Just Accounting

Let us hope that in return for the enormous sacrifices which we have had to bear we shall at least be able to reach an understanding with our allies with regard to financial arrangements for procuring the immediate advances which we need. Let us hope also that the sanctions behind the agreements of which France has up to now paid all the costs will not, like those at Spa, be simply of the paper variety and that they will work effectively the day when the necessity for them will be felt. Let us hope, above all, that the allies, having yesterday recovered their unity of will, will proceed to impose it without feebleness on the debtor nation; that they will present to the Reich a united and inviolable front and will reject with an inflexible constancy the unacceptable conditions which our former enemies are trying to attach to the regulation of our account with them. If, unfortunately, these hopes are not realized, it is not France, but Germany, which will profit from the decisions of the Paris conference. Poor Germany!

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PREMIER BRIAND caught in a burst of impassioned oratory. His fall as Premier is forecast if France disapproves of the final reparations agreement.